

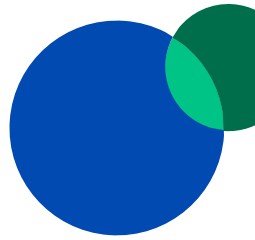
Reviewing Pay vs. Performance Disclosure.

September 2023



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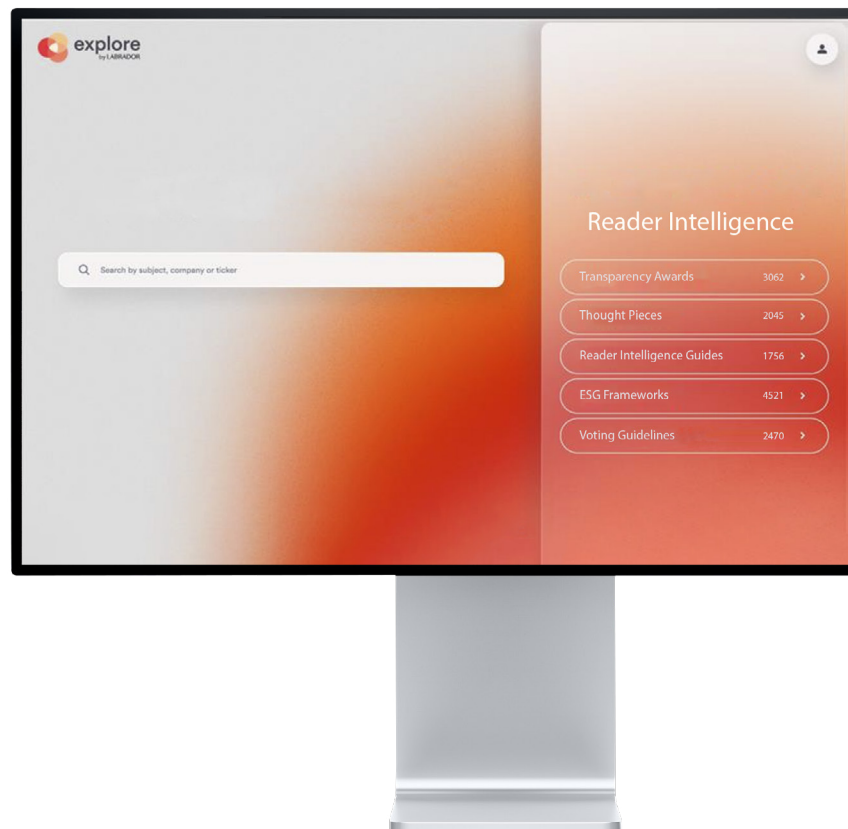
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Introduction

The 2023 proxy season has set the stage for the presentation of the new Pay Versus Performance (PVP) disclosures. As a reminder, the required PVP disclosure includes: (1) a Pay Versus Performance table (PVP Table); (2) a tabular or narrative presentation of the relationships between specified executive officer compensation “actually paid” and certain financial metrics (including total shareholder return); and (3) a tabular or narrative presentation of the “most important” performance measures selected by the company (Financial Performance Measures List).

Registrants must clearly describe the relationship between the financial performance measures and the compensation actually paid to the registrant’s NEOs. The disclosures may be presented narratively, graphically, or a combination of the two. In response to the requirement to provide a “clear description” of the relationship between paid compensation and the disclosed performance measures, the significant majority are presenting graphics utilizing bar or line graphs for each financial measure in the table.

According to our benchmarking, close to 90% of companies included graphics, with approximately 30% combining graphics and a narrative discussion. Most often, detailed narratives were included only where there was a lack of pay for performance demonstrated for one or more measures, such as in the case of a CEO transition or special equity awards.

This thought piece highlights “best of” uses of graphs & placement options to consider for your upcoming proxy.

Relationship Graph Examples

ALLSTATE

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Executive Compensation

Financial Measures: The Allstate executive compensation programs reflect the pay-for-performance culture and supports shareholder alignment while also incentivizing our executives as noted throughout the CD&A beginning on page 62. For the annual and long-term incentive programs, the committee uses performance measures that (1) align with the company's strategy, operating principles and priorities, and shareholder interest, (2) support the achievement of corporate goals, and (3) reflect the company's overall performance. The most important performance measures used to understand CAP with respect to company's performance for Allstate NEOs for this most recently completed fiscal year are as follows:

Performance Net Income (PNI)
Performance Net Income Return on Equity (PNI ROE)
Total Premiums
Relative Total Shareholder Return (TSR)

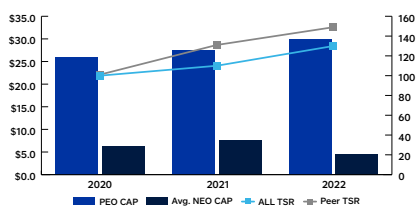
Relationship between CAP and Performance Measures in the Table: The following graphs provide a visual representation of the relationship between the CAP of our PEO and the average CAP of our Non-PEO NEOs as it relates to each financial measure noted in the pay versus performance table. The relationship between Allstate's TSR and our peer group TSR is reflected in the first graph – CAP vs Total Shareholder Return. Performance measure mix, timing of grants and outstanding vesting, share price volatility, and other factors impact CAP.

The majority of CAP to our NEOs is closely connected to long-term awards under the long-term incentive plan primarily driven by Performance Net Income and relative TSR. Over the last three years, external factors, including rising inflation, have impacted Performance Net Income while Allstate's relative TSR has remained strong. The graphs below demonstrate:

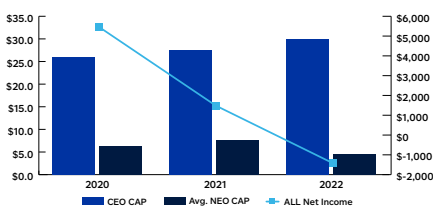
- From 2020 to 2021 CAP to our PEO increased 6% and average CAP to our non-PEO NEOs experienced a greater increase of 22%. In the same period our TSR increased from \$100 to \$110 (10%), while the net income measures fell. The continued increase in CAP as net income declined is a result of the fair value NEO long-term incentive awards which closely aligns to the TSR which increased over the same period. The decline in Performance Net Income is a result of higher insurance losses and unfavorable reserve re-estimates.
- From 2021 to 2022 CAP to our PEO increased by just below 9% and average CAP to our non-PEO NEOs decreased by roughly 37%. In the same period TSR continued to increase from 110 to 131 (18%). Net income continued to decline. Allstate aggressively took actions to address the decreasing net income during this inflationary period, causing higher insurance losses and unfavorable reserve re-estimates, resulting in continued TSR increases.
- Allstate has seen continued growth in TSR from 2020 through 2022 with an aggregate growth rate of 30% while our peer group has slightly outpaced us at 48%. Despite this, Allstate's relative TSR to the peer group improved.

For additional detail regarding Allstate's executive pay practices including incentive design and goal setting, compensation elements, compensation decisions, and governance practices see the CD&A beginning on page 62.

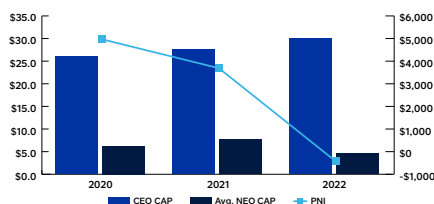
CAP vs Total Shareholder Return



CAP vs Net Income



CAP vs Performance Net Income



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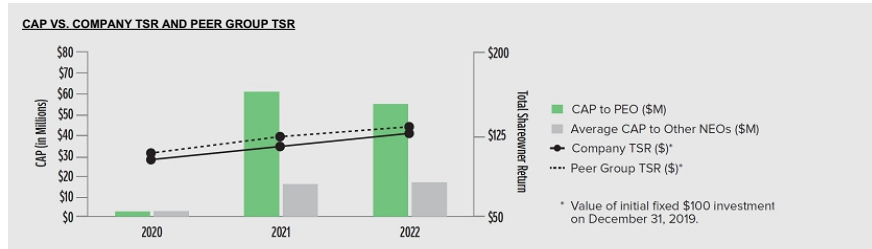
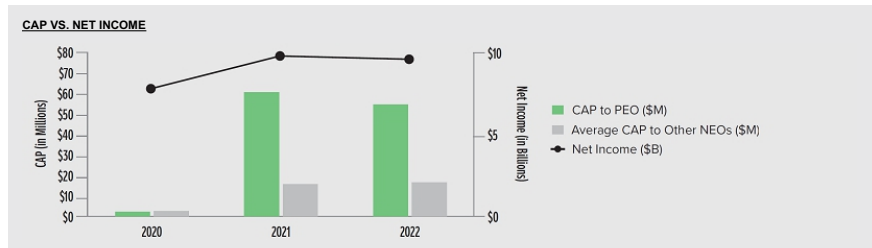
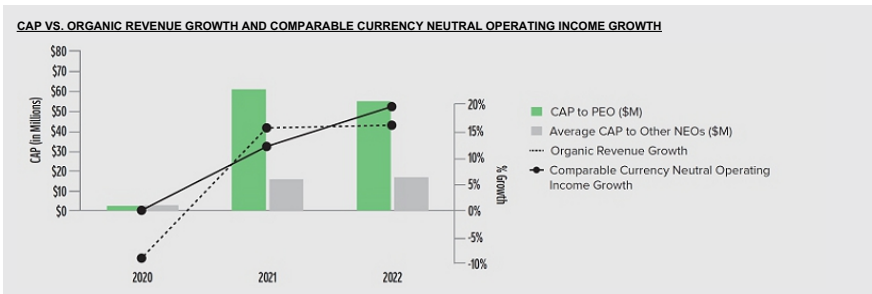
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2023 PROXY STATEMENT

RELATIONSHIP BETWEEN COMPENSATION ACTUALLY PAID AND PERFORMANCE

The graphs below show the relationship of “compensation actually paid” to our PEO and Other NEOs to (i) the Company’s organic revenue growth (non-GAAP), (ii) the Company’s comparable currency neutral operating income growth (non-GAAP), (iii) the Company’s net income and (iv) TSR of both the Company and the Dow Jones Food & Beverage Total Return Index.

CAP, as calculated in accordance with Item 402(v), reflects, among others, adjustments to the fair value of equity awards during the years presented. Factors impacting the fair value of equity awards include the price of our Common Stock at year end, as well as the projected and actual achievement of performance goals. These adjustments contributed significantly to the change in CAP reported for 2020 to 2021.



SOUTHERN COMPANY

Executive Compensation Tables

Column (f)

For each Covered Year, our absolute TSR was calculated based on the yearly percentage change in our cumulative TSR on our common stock, par value \$5.00 per share, measured as the quotient of (a) the sum of (i) the cumulative amount of dividends for the period beginning with our closing stock price on the NYSE on December 31, 2019 through and including the last day of the covered year (each one-year, two-year and three-year periods, a "Measurement Period"), assuming dividend reinvestment, plus (ii) the difference between our closing stock price at the end versus the beginning of the Measurement Period, divided by (b) our closing share price at the beginning of the Measurement Period. Each of these yearly percentage changes was then applied to a deemed fixed investment of \$100 at the beginning of each Measurement Period to produce the Covered Year-end values of such investment as of the end of 2022, 2021 and 2020, as applicable. Because Covered Years are presented in the table in reverse chronological order (from top to bottom), the table should be read from bottom to top for purposes of understanding cumulative returns over time.

Column (g)

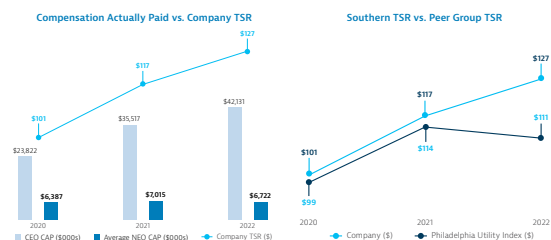
The peer group utilized in the table above is the Philadelphia Utilities Sector Index (UTI). For each Covered Year, the peer group cumulative TSR was calculated based on a deemed fixed investment of \$100 in the index through each Measurement Period, assuming dividend reinvestment.

Column (i)

For purposes of this PVP disclosure, our relative TSR is calculated substantially as described above in our Compensation Discussion and Analysis. See page 76 for more information on the calculation of relative TSR and the results shown in this Pay Versus Performance disclosure.

Descriptions of Relationships Between CAP and Certain Financial Performance Measure Results

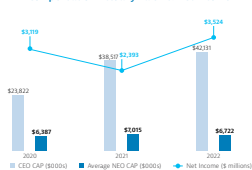
The following charts provide, across the Covered Years, a clear description of the relationships between (1) our cumulative TSR and the cumulative TSR for the peer group reflected in the PVP Table above, (2) CEO CAP and the financial performance measures results set forth in columns (f), (h) and (i) of the PVP Table above, and (3) non-PEO NEO CAP and the financial performance measures results set forth in columns (f), (h) and (i) of the PVP Table above.



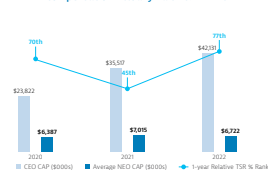
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Executive Compensation Tables

Compensation Actually Paid vs. Net Income



Compensation Actually Paid vs. 1-Yr rTSR*



*As noted above, our 2022 LTI program utilized and applied significant weighting to our 3-year relative TSR metric, rather than the 1-year relative TSR metric shown. For more information, see page 75.

Most Important Performance Measures

The following Tabular List provides what the Company believes represent the most important financial performance measures (including relative TSR) we used to link CAP for our PEO and non-PEO NEOs for 2022 to our performance for 2022:

Most Important Performance Measures
1-year Relative TSR
3-year Relative TSR
Return on Equity (ROE)
Earnings per Share (EPS)
GHG Reduction Goal

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PRUDENTIAL

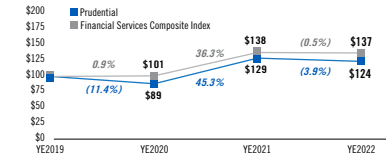
Pay Versus Performance



Analysis of the Information Presented in the Pay Versus Performance Table

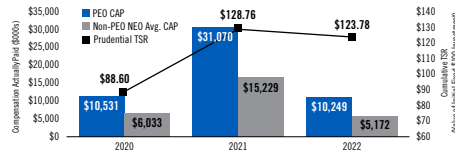
Comparison of Cumulative Three-Year TSR

As shown to the right, our Company's cumulative three-year TSR is directionally aligned with that of the Financial Services Composite Index. For reference, annual return percentages for Prudential and the Financial Index are shown in the graph.



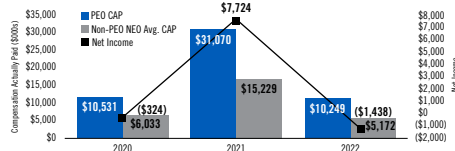
Compensation Actually Paid vs. TSR

As shown to the right, the Compensation Actually Paid to our PEO and our other NEOs are directionally aligned with Company TSR between 2020 and 2022.



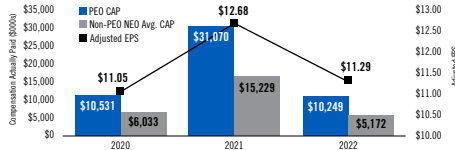
Compensation Actually Paid vs. Net Income

As shown to the right, the Compensation Actually Paid to the PEO and our other NEOs is strongly correlated with our Net Income between 2020 and 2022. While the Company does not use Net Income as a direct measure to determine payouts under its incentive plans, Compensation Actually Paid is strongly aligned with Company earnings.



Compensation Actually Paid vs. Adjusted EPS

As shown to the right, the Compensation Actually Paid to the PEO and our other NEOs is strongly aligned with Adjusted EPS, our Company-selected measure, further reflecting the correlation between Compensation Actually Paid and Company earnings.



Most Important Financial Performance Measures

The three items listed to the right represent the most important metrics we used to link our executive compensation program and our named executive officers' Compensation Actually Paid to our performance for 2022. These metrics, and why we selected these measures, are further described in the CD&A within the section titled "Formulaic Framework for Incentive Programs."

Adjusted Earnings Per Share (EPS)
Return on Equity (ROE)
Adjusted Book Value Per Share (BVPS)



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